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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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September 23, 1991

Ms. Cindy Emmons
Kennecott Utah Copper
P. O. Box 525
Bingham Canyon, Utah 84006-0525

Dear Ms. Emmons:

Re: Fourth Line Mill Expansion Amendment, Kennecott Utah Copper (KUC), Division Response to September 3, 1991 Letter, M/035/002, Salt Lake County, Utah

The Division has reviewed your September 3, 1991 letter addressing the April 91 plan deficiencies. Thank you for your prompt and very well organized response to our review questions. The Division needs to have a few more questions addressed before we can proceed with approval. These questions follow:

1. On page 7 of the plan, a total area of 168 acres is given for both permanent and temporarily disturbed areas. Page 10 and 11 discuss a total final disturbed reclamation acreage of 136. Page 12 indicates that 22 acres will not be reclaimed resulting from variances obtained in 1986. According to our calculations, this means 146 acres (168-22) will require reclamation, 10 acres more than what is discussed in the plan.

Our interpretation of the information presented in the plan indicates that 32 acres of the 146 will be reclaimed immediately after construction and 114 acres will be reclaimed at final reclamation. Please verify these figures and the acreage figure for total reclamation (is it 146 or 136 acres); and re-evaluate your surety amount accordingly.

2. The Revegetation Test Plot component of this plan is acceptable as proposed in the plan. However, Kennecott has not acted to implement this project as described in the plan. Plot establishment was to have occurred last fall (1990) and some type of an evaluation of these plots

was to have occurred the year following test plot establishment. It is unclear, from the discussion on pages 14 and 15 of the plan, whether the time frame for evaluation is to be one year after establishment, or two years from the date of establishment. This must be clarified in the plan. The Division requests that evaluation begin one year after establishment.

The establishment of these test plots has been a problem for some time. The original plots established in 1986 were later inadvertently removed by KUC. The importance of these plots is the key to the successful reclamation of the 588 acre disturbance approved as part of the 1986 Modernization Project. The Division granted KUC a soils salvage variance for this acreage, with the condition that KUC would establish and complete a well documented revegetation study of the underlying subsoils. The results of this study would be used as a basis for reclamation of this site.

Kennecott Utah Copper has been negligent in implementing this integral part of the reclamation program and is currently out of compliance in this regard. Proper development of these plots must be implemented no later than October 30, 1991.

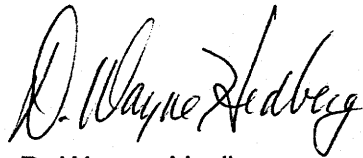
Final approval for this plan will not be made until KUC demonstrates to the Division, that the revegetation test plot project is being implemented correctly. The Division will require: 1. documentation of seed mixtures used (tags from seed bags) and seed application rates; 2. verification of the soil treatments discussed in the plan and; 3. an onsite inspection once the plots have been set up correctly and seeded.

All other matters, related to the 4th Line Expansion Amendment have been clarified via your correspondence, and can be conditionally approved (awaiting resolution of the test plot issue). Final approval will be issued once the Board of Oil, Gas and Mining approves of KUC's form and amount of surety. KUC will need to submit a revised reclamation surety for \$5,400,000 and a new Reclamation Contract to the Division before Board approval can be requested.

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Please address any further questions in this regard to me or Holland Shepherd.
Thank you for your attention to these remaining concerns.

Sincerely,

A handwritten signature in cursive script, reading "D. Wayne Hedberg".

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
cc: Lowell Braxton
Minerals Staff
M035002.3